

STRATEGIC BANKING CORPORATION OF IRELAND
SERIES 2: GROWTH AND SUSTAINABILITY LOAN SCHEME
OPEN CALL FOR EXPRESSION OF INTEREST
(Published on May 19th 2025)

1. Introduction

The Strategic Banking Corporation of Ireland (“SBCI”) is launching an Open Call for Expression of Interest (the “Call”) to identify and select finance providers (the “On-Lenders”) to deliver Series 2 of the Growth and Sustainability Loan Scheme (“the Scheme” or “GSL”) as described in this document. Proposals submitted to SBCI must conform to the requirements of the Call.

If you are interested in becoming an On-Lender for the Scheme, please read this Guidance Document first.

Interested applicants should express their interest, by completing and submitting an Expression of Interest, as per the relevant templates included at **Annex 1** and **Annex 7** to this Call, by e-mail to GSLopencall@sbc.gov.ie

Closing date for receipt of Expressions of Interest for this Call is 17th June 2025 (the “Deadline Date”)

At the time of publication, the Scheme is awaiting Government and budgetary approval and is subject to same. If the necessary approvals are not secured, applicants should note that the existing Growth and Sustainability Loan Scheme (“the Existing Scheme”) will remain in place without (1) an extension in the availability period and (2) an increase in capacity. The SBCI is not liable for costs and expenses incurred in an applicant’s preparation and submission of an application, regardless of whether or not Government approvals are granted for the Scheme.

Contents

| | | |
|----------|--|--|
| 1 | Introduction | |
| | 1.1 The Growth and Sustainability Loan Scheme 1.2 The Strategic Banking Corporation of Ireland 1.3 Opportunity for On-Lenders | |
| 2 | The Scheme Details | |
| | 2.1 Summary of Loan Details <ul style="list-style-type: none"> 2.1.1 Eligible Loan Purposes 2.1.2 Loan Features 2.2 Who Can Apply for a Loan? 2.3 Indicative Key Terms between the On-Lender and SBCI | |
| 3 | The Selection Process for On-Lenders | |
| | 3.1 Application Process 3.2 Assessment and Selection Process 3.3 Delivery of Expressions of Interest and Additional Information 3.4 Publishing of Information | |
| 4 | Requirements from On-Lenders | |
| | 4.1 Lending to SMEs/Small Mid-Caps, including primary producers trading in Ireland 4.2 Critical Mass 4.3 Eligible Financial Product Cost/Interest Rate 4.4 Availability of Capital 4.5 Operations, Management Team and Track Record 4.6 Regulation 4.7 Legal Structure | |
| 5 | Legal Notice | |
| | Annex 1 to 7 | |

1.1 The Growth and Sustainability Loan Scheme

Access to affordable long-term finance is a recurring issue for some businesses in Ireland. The current long-term finance offerings from finance providers operating in the Irish market typically do not exceed seven years for cash flow-based funding, with loans beyond that term usually requiring collateral. The Scheme seeks to continue to address this gap in the market in Ireland and is designed to enable SME and Small Mid-Cap business borrowers to make long term investments in their businesses with the associated cashflow returns supporting longer term repayment capacity.

Additionally, the Government has set a climate policy target to reduce greenhouse gas emissions progressively in Ireland in order for Ireland to become carbon neutral by no later than 2050. The Scheme aims to continue its support for investments contributing to the climate action and environmentally sustainable transformation of the Irish economy, by supporting access to the required debt financing.

Following the successful launch of the Existing Scheme in 2023, an increase is being considered in an amount of up to €500m, making a total scheme size of up to €1bn.

SBCI is engaging with the Department of Enterprise, Trade and Employment (“DETE”), the Department of Agriculture, Food and Marine (“DAFM”), the European Investment Fund (“EIF”) and the European Investment Bank (“EIB”) to make available this increased amount of up to €500m until the end of December 2028. This will provide continued support to Irish businesses with long term investment funding that contributes to the growth and sustainability of Irish SMEs and Small Mid-Caps in the economy.

The Scheme will be open to applications from On-Lenders participating in the Existing Scheme (“Existing Scheme Lenders”) and potential new On-Lenders, with the aim of promoting competition in the credit market.

The Existing Scheme end date will be extended to the end of December 2028, for all Existing Scheme Lenders, with the increased capacity expected to be added to the Scheme later in 2025/early 2026. The Scheme will remain open during this period wherein successful applicants can deploy loans under the Scheme (being the “Availability Period”), or until fully subscribed, and SBCI may further extend the duration of the Scheme at its discretion.

1.2 The Strategic Banking Corporation of Ireland

The SBCI was established in 2014 to ensure that businesses in Ireland have access to lower cost and longer-term funding options and is wholly owned by the Minister for Finance. One of the primary functions of SBCI is to promote the provision of additional credit to businesses in Ireland, in particular to SMEs, and to encourage competition in the lending market. In designing any of its schemes, SBCI strives to ensure the efficient use of available EU funding and guarantees.

The SBCI provides wholesale funding and risk-sharing supports through its on-lending partners to deliver a range of eligible financial products to businesses and consumers, ensuring that the benefit of its support is delivered to the ultimate borrowers.

1.3 Opportunity for On-Lenders

The Call for the Scheme is open, and those On-Lenders who are active in SME and Small Mid-Cap business lending (or who intend to become active) are invited to apply, as detailed in Section 3.

For the purposes of the Call, an “On-Lender” is a financial or credit institution that is incorporated, established or operating in Ireland and duly authorised to carry out lending according to applicable legislation. The On-Lender must comply with relevant standards and applicable legislation on illegal activities, activity carried out for illegal purposes, tax evasion, tax avoidance, sanctions, anti-corruption, money laundering, terrorism and fraud to which it may be subject.

The On-Lender:

- a) must not be established in a non-cooperative jurisdiction¹;
- b) must not meet any of the Exclusion Criteria listed in **Annex 1**;
- c) must not perform Research and Innovation activities which are related to:
 - (i) illegal activities according to the applicable legislation in the country of the On-Lender; or
 - (ii) Excluded Activities²; and
- d) must not have a substantial focus on any Excluded/Restricted Sector (see **Annex 6**).

2. The Scheme Details

The Scheme benefits from an SBCI of a guarantee to cover the credit risk of newly originated loans included in the covered portfolio (up to a maximum of 80% of each loan) during the term of the Scheme. The SBCI benefits from a counter guarantee from the European Investment Fund that will ultimately cover 64% of each loan.

¹ A jurisdiction which does not co-operate with the European Union in relation to the application of the internationally agreed tax standards, or their tax practices do not follow the Commission Recommendation of 6.12.2012 regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (C (2012)8805). This includes jurisdictions that have been placed on the EU list of non-cooperative jurisdictions for tax purposes, as adopted by the Council of the European Union and updated from time to time, the latest version of which is available at <https://data.consilium.europa.eu/doc/document/ST-6322-2025-INIT/en/pdf>.

² Research activities aiming at human cloning for reproductive purposes or research activity intended to modify the genetic heritage of human beings or research activity intended to create human embryos or research activity that is prohibited in Ireland.

The Scheme will cover an additional portfolio of loans of up to an extra €500m (the “Expanded Maximum Portfolio Volume”). Successful applicants will be invited to act as an On-Lender for the Scheme and will be allocated a portion of the new portfolio. Should Existing Scheme Lenders be successful in obtaining an allocation in the Scheme, the original allocation from the Existing Scheme will be aggregated with the new allocation. The combined total allocations available to Existing Scheme Lenders and new On-Lenders will be no more than €1bn.

The Expanded Maximum Portfolio Volume will be sub-divided into two parts being **Portfolio 1**, a maximum of €450m and **Portfolio 2**, a maximum of €50m. Applicants who have, or whose group parent has, a long-term rating from Moody’s, Fitch or S&P rating agencies must apply for an allocation from Portfolio 1. Portfolio 2 will be reserved for applicants who do not have a Moody’s, Fitch or S&P long term rating. Unless specifically stated, the terms of the Scheme will apply equally to each of Portfolio 1 and 2. If the maximum amount of Portfolio 2 is not allocated by the SBCI, then any unallocated amount may, at the SBCI’s discretion, be reallocated to successful applicants for Portfolio 1. Alternatively, SBCI reserves the right to conduct an additional open call for any unallocated amount of Portfolio 2.

A minimum of 30% of the total value of the loans under the Scheme will be reserved for climate action and environmental sustainability (“Climate Action and Environmental Sustainability Loans” or “CA & ES Loans”). Calculation of the percentage of the Scheme volume which is targeted towards CA & ES Loans will be made based on the aggregate of:

- The value of loans to businesses where the purpose of the loan is for **Environmentally Sustainable Measures**; and
- The value of loans to **Green Enterprises**³ where the purpose of the loan is for Environmentally Sustainable Measures or for the purposes of business growth and resilience of that Green Enterprise.

Details on what will constitute a Green Enterprise and Environmentally Sustainable Measures within the context of the Scheme will be provided by reference to a suite of Climate Action and Environmental Sustainability Criteria (“CA & ES Criteria”). Borrowers will be able to view the CA & ES Criteria⁴ and input their proposal details to the SBCI Hub to assess their eligibility. CA & ES Loans will now also benefit from an increased range of eligible measures through the inclusion of additional eligible investments supported via the Department of Agriculture, Food and the Marine’s Targeted Agricultural Modernisation Scheme (“TAMS”).

³ This includes Green and Origin Green farmers. Further details can be found here <https://sbci.gov.ie/products/growth-and-sustainability-loan-scheme>

⁴ <https://sbci.greenchecker.eib.org/>

- Borrower eligibility, including eligibility under CA & ES Criteria, will be captured and assessed via the SBCI Hub⁵ prior to the issue of an eligibility code, if that applicant is deemed eligible by the SBCI. On-Lenders will not be required to make this eligibility assessment and a borrower's SBCI eligibility code will identify approval of a CA & ES Loan application. However, the On-Lender will be required to verify that the purpose of the loan for which the borrower applies is consistent with that provided to the SBCI in the eligibility assessment.

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| Environmental Sustainability Measures | Activities detailed as eligible under CA & ES Criteria as noted in the previous paragraph. |
| Green Enterprise | A business whose main activity falls into one or more of the specified Environmental Sustainability Measures, provided that the business' revenues from such activities represent at least 90% of its turnover. |
| Green Farmers | <p>A primary producer who can demonstrate one of the following:</p> <p>(i) Membership of the following schemes.</p> <p>a. The Department of Agriculture's ACRES Tier 1, Tier 2 or ACRES Co-operation; and</p> <p>b. Bord Bia's Origin Green Beef or Dairy Assurance Schemes</p> <p>Or</p> <p>(ii) Registration with an organic operator by an organic certification body and membership of the Department of Agriculture's Organic Farming Scheme.</p> |

Should an On-Lender not meet the 30% minimum CA & ES Loan requirements upon testing at the end of Availability Period, the balance of the drawn portfolio volume will be at risk of being removed from the guarantee, on a pro rata basis to realign the 30/70 split.

The Scheme loans and the borrowers (including Green Enterprises and Green Eco Label Holders/Green Farmers) of the Scheme loans will be subject to certain eligibility criteria and rules which are summarised in Section 2.1 and set out in Section 2.2 below.

2.1 Summary of Loan Details

⁵ SBCI Hub is the SBCI IT Platform that is used to support the eligibility process for borrowers

2.1.1 Eligible Loan Purposes

Loans will be allowed for the following purposes:

1. An investment, allowing for the business growth and resilience of an eligible business (including a Green Enterprise) including but not limited to investments in process and organisational innovation (“Growth and Resilience Investment”⁶)
2. An investment in Environmentally Sustainable Measures as will be defined in the CA & ES Criteria.

2.1.2 Loan Features

- Loans from €25,000 to a maximum of €3,000,000 per borrower. State aid limitations on the maximum loan amount may apply depending on the applicable State aid Regulation – see **Annex 4**.
- The On-Lender must provide the full range of loan amounts if applying under Portfolio 1. Applicants for Portfolio 2 may provide a lower maximum amount per borrower than €3,000,000.
- Interest rates must be reflective of the presence of the guarantee and may not exceed the interest rate charged on a comparable transaction not covered by the guarantee. A minimum discount is required relative to comparable unguaranteed lending as outlined in the next bullets.
- A minimum interest rate discount of 1.75% must apply against comparable products for loans less than €250,000 (“Category 1 Loans”).
- A minimum interest rate discount of 1.00% must apply against comparable products for loans greater than or equal to €250,000 (“Category 2 Loans”).
- On-Lenders must provide an additional minimum discount of 0.25% to borrowers utilising the CA & ES Loan option by way of further discounting the applicable interest rate relative to those eligible loans not qualifying as CA & ES Loans (“Non-Green Qualifying Loans”).
 - ***Please note that the discounts outlined above are the minimum required, applicants who provide discounts beyond this amount will be awarded greater marks on evaluation which may lead to a greater allocation of the €500m available. See Annex 2 for more detail.***
 - ***Please note that the minimum discounts to be applied are before the EIF guarantee fee is applied for each loan. The guarantee fee can be included in the interest rate paid by the borrower (currently 51 bps but subject to finalisation and will be confirmed prior to successful On-Lenders entering into a guarantee agreement with the SBCI). For example, if the existing price of an unguaranteed loan under Category 1 Loans is 6%, the minimum required discount would mean the GSLS price is 4.25%, however the fee can be added back such that the borrower pays a rate of 4.76%.***

⁶ As determined by SBCI as part of its eligibility approval processes

- Any reference to a discount refers to a discount to a rate for a comparable loan as it applies on the date of the On-Lenders response to the Open Call.
- Loan terms between a minimum of 7 years up to a maximum of 10 years are allowed.
- Loans ≤€500,000 must be made on an unsecured basis.
- Loans >€500,000 may be secured, however, a personal guarantee may only be sought in circumstances where it is (i) required to capture supporting security, or (ii) an uncollateralised personal guarantee and is limited to a maximum of 20% of the loan amount.
- Loans under the Scheme to be available from the date of the guarantee with individual On-Lenders to the end of December 2028 at the latest, unless otherwise agreed between SBCI and On-Lenders.
- Capital and interest moratoria (up to 90 days) are to be permitted within the Scheme. Further capital moratoria in line with On-Lender credit policies may be permissible without extension of loan repayment end dates. Moratoria for the Scheme:
 - Are not mandatory.
 - Will be reached upon agreement between the borrower and the On-Lender.
 - Do not apply to loans that have a bullet or balloon repayment profile which extends to more than 3 years of the 7–10-year maturity allowed.
- Loans must be structured as term loans denominated in euro.
- The On-Lender's standard credit criteria apply to all loan applications.
- The On-Lender may not make a Scheme loan conditional on the borrower accepting a different facility or service from the On-Lender.
- Refinance of existing borrowings is not allowed.
- The minimum credit grade allowable is B- (S&P) or B3 (Moody's) equivalent at the time of granting the loan⁷
 - The maximum amount each On-Lender can include in its portfolio in any one industry sector (expressed by NACE Code – Rev 2 Division Level) is 20%.
- The maximum amount each On-Lender can include with respect to the industry sectors expressed collectively by NACE Code Rev 2 Division Level A01 (Crop and animal production, hunting and related services activities), A02 (Forestry and Logging) and A03 (Fishing and Aquaculture) is 40%.

NB – The above list is non-exhaustive and other loan features may apply and will be set out in detail in the draft guarantee agreement.

2.2 Who can apply for a loan?

SMEs and Small Mid-Cap enterprises including primary producers (including fisheries and aquaculture) that are:

⁷ Subject to confirmation on finalisation of the counter guarantee agreement

- i. established or have a branch in Ireland; and
- ii. economically viable (which determination shall be made by the relevant On-Lender in accordance with its policies and procedures),

Loans to Small Mid-Caps shall not exceed 5% of the value of an On-Lender's allocation.

SMEs

- Micro, small or medium-sized enterprises which employ fewer than 250 persons; and
- Have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.

Small Mid-Cap Enterprises

- Is not an SME; and
- Has up to 499 employees.

Who cannot apply for a loan?

SME/Small Mid-Caps that: -

- In the case of loans granted under the *De Minimis* Regulation⁸:
 - SMEs - are subject to or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings at the request of its creditors.
 - Small Mid-Caps – either (i) are subject to or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings at the request of its creditors, or (ii) have a credit rating equivalent that is below B- (S&P) or B3 (Moody's).
- In the case of loans granted under GBER⁹, ABER¹⁰ or FIBER¹¹: Are undertakings in financial difficulty¹².
- Are bankrupt or being wound up or having its affairs administered by the courts.
- Have a substantial focus in any of the Excluded/Restricted Sectors (see **Annex 6**).
- Other exclusions might apply depending on the applicable State aid Regulation under which the loan is granted – (see **Annex 4**).

⁸ Commission Regulation (EU) No 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, OJ L 2023/2831, as may be amended or replaced;

⁹ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187, 26.6.2014, p. 1, as may be amended or replaced.

¹⁰ Commission Regulation (EU) 2022/2472 of 14 December 2022 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union, OJ L 327, 21.12.2022, p. 1-81, as may be amended or replaced

¹¹ Commission Regulation (EU) 2022/2473 of 14 December 2022 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union, OJ L 327, 21.12.2022, p. 82 -139, as may be amended or replaced.

¹² Undertaking in financial difficulty means an undertaking fulfilling the criteria laid down in Article 2, point (18), of Commission Regulation (EU) No 651/2014.

Borrower Eligibility

- The borrower must satisfy the conditions detailed in Section 2.1.1 and Section 2.2. General borrower eligibility checks will be conducted by SBCI before the borrower can apply for credit facilities to the On-Lender. Some of the conditions will be deemed satisfied upon the borrower making self-declarations in completing an application form on the SBCI Hub. If determined to be eligible, the SBCI will issue the borrower with an eligibility code, which the borrower can use to apply to an On-Lender for a loan under the Scheme (if the borrower's application is ineligible this will be communicated to the borrower as part of the application process on the SBCI Hub).
- Where the borrower is applying for an eligibility code relating to a proposed CA & ES Loan, additional information will be sought from the borrower through the SBCI/EIF Green Checker tool¹³, or from other sources. Where deemed eligible, the SBCI will generate a code which will enable the On-Lender to distinguish eligibility between an CA & ES Loan and a Non-Green Qualifying Loan.
- While the On-Lender will not be required to make an eligibility assessment in relation to a loan, a check will be required to ensure that the purpose of the loan for which the borrower applies is consistent with that purpose provided to the SBCI in the eligibility assessment.

2.3 Indicative Key Terms between the On-Lender and SBCI

Indicative key terms and conditions relevant to On-Lenders include the following:

- The SBCI guarantee is to the On-Lender, not the borrower.
- The amount of the guarantee fee is to be finalised following EIF risk assessment; however, On-Lenders should note a current fee of 0.51% is the cost charged per annum by the SBCI to the On-Lender for the provision of an 80% guarantee on the outstanding balance of eligible loans. This cost can be included in the overall minimum discount as outlined in Section 2.1 and further in **Annex 2**. The current fee is subject to change after EIF risk assessment and will be confirmed prior to successful On-Lenders entering into a guarantee agreement with the SBCI. SBCI will allocate a portfolio lending limit to each On-Lender under the Scheme. On-Lenders cannot exceed this limit without agreement in writing from SBCI.

¹³ <https://sbci.greenchecker.eib.org/>

- For the avoidance of doubt, the Guarantee Fee method of calculation on a performing loan will be as follows:

$$\frac{A \times B \times C}{D}$$

Where:

(A) is the Guarantee Fee Percentage

(B) is the Average Loan Balance (which is the arithmetic average of (i) the outstanding principal amount on the first day of the Fee Calculation Period and (ii) the outstanding principal amount on the last day of Fee Calculation Period)

(C) is the Total Number of Calendar Days in the relevant Fee Calculation Period (i.e. only 90/91/92 will be accepted)

(D) is 360

- Each On-Lender must ensure that the maximum sector concentration limits for loans, outlined in Section 2.1 (Loan Features), are adhered to.
- A minimum of 30% of each On-Lender allocation must consist of CA & ES Loans. Where a borrower seeks a facility incorporating both a CA & ES Loan element as well as a Non-Green Qualifying Loan element, these must be separate facilities. Should an On-Lender not meet the minimum 30% CA & ES Loan requirements, the balance of the drawn portfolio volume will be at risk of being removed from the guarantee, on a pro rata basis to realign the 30/70 split.
- **Note for Existing Scheme Lenders:**
 - Should an Existing Scheme Lender be successful in obtaining an allocation in the Scheme, the original allocation from the Existing Scheme will be aggregated with the new allocation. However, if there is a difference between the interest rate applicable to the allocation under the Existing Scheme and the proposed interest rate to apply to the allocation under the Scheme, then the allocation under the Existing Scheme must be deployed fully at the existing interest rate (or a lower rate if the Existing Scheme Lender so desires) prior to deploying under the allocation under the Scheme.
 - The minimum 30% CA & ES Loan requirement, and maximum sector concentration limits as outlined in Section 2.1.2 will apply to the aggregated allocation under the Existing Scheme and the Scheme. It will be tested at the end date of the Scheme, the end of December 2028. Decision-making on a borrower's credit viability is a matter for the On-Lender.
- The On-Lender must record all eligible transactions on the SBCI Hub. The SBCI Hub records loan and borrower details e.g. the loan amount, term and interest rate. On-Lenders must use the SBCI Hub to enter and update the loan details in a timely and accurate manner. Indicative loan data to be recorded on the SBCI Hub are set out in **Annex 3**.
- The On-Lender may approve up to 90 days forbearance in line with their own policy (if no moratoria previously given). Loan restructures may not extend beyond 10 years from the start of the original loan.

- If a borrower defaults, then the On-Lender may claim up to 80% of the outstanding principal from the SBCI while bearing the remaining 20%.
- Any recoveries received by an On-Lender in respect of a defaulted loan, where a claim under the guarantee has been made, must be applied on an 80% / 20% basis (i.e. 80% must be paid back to SBCI).
- On-Lenders must ensure that the relevant customer-facing and back-office staff in their organisation (e.g. Relationship Managers, Credit Approvers etc.) and any intermediaries, are trained to appropriately apply and administer the Scheme, and that they manage their internal communication so that all relevant staff receive and understand the information relevant to them. This must be completed prior to launch and periodically as required throughout the duration of the Scheme. This will be an obligation for successful On-Lenders.
- On-lenders must include a comprehensive marketing and outreach strategy within their proposal, highlighting the marketing and promotional efforts they commit to delivering. This strategy should address the following:
 - Target Audience: Identify the target audience and outline how they will be engaged.
 - Marketing and Communication Channels: Specify the channels to be used (e.g., traditional media, social media, digital campaigns, outreach events, partnerships, etc.).
 - Messaging: Ensure the messaging aligns with the scheme's purpose.
 - Proposed KPIs: Define key performance indicators or benchmarks to measure impact and reach.

On-Lenders must collaborate with SBCI on joint promotions, accurately convey the terms and conditions of the Scheme on all marketing materials and provide case studies for SBCI use (minimum of one CA & ES Loan and one Non-Green Qualifying Loan per year), to market the Scheme appropriately.

- On-Lenders must provide a comprehensive breakdown of key dependencies for launch (for e.g. IT windows, committee approvals and product signoffs etc) and what the potential delay and impact on launch these may have.
- On-Lenders will undergo periodic audits. Samples of transactions will be analysed during the audit to check that the Scheme rules and processes have been followed.
- SBCI provides training, communications and guidance materials for On-Lenders, both initially following accreditation and intermittently as refresher training where needed.
- On-Lenders are required to enter into a standard form agreement. Upon review of applications, the successful applicants will be provided with a draft of the agreement.
- SBCI holds periodic meetings with On-Lenders, both bilaterally and collectively as appropriate, to discuss Scheme performance, best practices, and any issues.

3. The Selection Process for On-Lenders

SBCI welcomes proposals from any applicant able to meet the requirements set out in this Open Call. Applicants must have the necessary capability to lend to eligible businesses and operate within the rules of the Scheme.

Applicants are expected to meet the requirements of a 4-stage selection process, as detailed below.

- **Stage 1 - Expression of Interest:** A submission (**Annex 1**) outlining in brief how the applicant meets the requirements for On-Lenders participating in the Scheme as well as providing information inputs for EIF / EIB (**Annex 7**). If the applicant is an Existing On-Lender with the SBCI Application Form No. 1 is to be completed. If the applicant is not an Existing On-Lender, Application Form No. 2 is to be completed.
- **Stage 2 - Eligibility Requirements:** Applicants need to meet minimum requirements to progress to Stage 3, and those minimum requirements are set out in **Annex 2**. Applicants that meet the minimum requirements are then further assessed based on the criteria set out in **Annex 2**.
- **Stage 3 - Initial Allocation:** An initial allocation of the Expanded Maximum Portfolio Volume will be determined for applicants that have passed Stage 2.
- **Stage 4 - Due Diligence and Completion (subject to satisfaction of conditions precedent):** Those applicants that have successfully completed Stage 3 will be allowed to deploy to the market subject to (and on the basis that the timelines outlined below may be extended at SBCI's sole and absolute discretion):
 - approval of the Scheme by sponsoring departments, i.e. DETE & DAFM
 - approval by the SBCI Board; and
 - where required – EIF/EIB completing its due diligence and the relevant applicant being formally confirmed as satisfactory; and
 - where required – the applicant having satisfied SBCI's due diligence process within 4 months of the date of publication of this Call; and
 - completion of the legal documentation within 5 months of the date of publication of this Call.

If any applicant fails to meet the requirements of Stage 4 as detailed above, the SBCI may re-allocate the amount of the Expanded Maximum Portfolio Volume which was initially allocated to that applicant under Stage 3 to those applicants that have successfully completed Stage 4 on a pro-rata basis.

The Expression of Interest submission and due diligence process will vary to take account of (i) whether an applicant is an existing On-Lender or not and (ii) the size and structure of applicants.

SBCI may request clarification or additional information at any point in the process. SBCI will assess applications using a risk and judgement-based approach based on the requirements set out in **Section 3** of this Call.

3.1 Application Process

Stage 1 - Expression of Interest

Applicants should complete and submit the relevant Expression of Interest form appended to this Call **at Annex 1** via email to:

GSLSopencall@sbc.gov.ie *Subject: GSLS Scheme 2025*

The security of the information provided, the method of transfer and the timely delivery of the application are the sole responsibility of the applicant.

Requests for Additional Information

Applicants can make requests for additional information in advance of submitting an Expression of Interest. Any requests for additional information should be submitted to:

GSLSopencall@sbc.gov.ie *Subject: GSLS Scheme 2025 – Query*

The SBCI will endeavour to respond to all requests for additional information as soon as possible.

The Expression of Interest form should be used to outline the key elements of the applicant's proposal and how the applicant meets the minimum requirements detailed in this Call.

Applicants are encouraged to have a preliminary discussion with SBCI (contact GSLSopencall@sbc.gov.ie) to help them ascertain whether participation in the Scheme would be potentially viable, before committing time and effort to preparing an Expression of Interest.

3.2 Assessment and Selection Process

Stage 2 - Eligibility Requirements

Following receipt of an Expression of Interest, SBCI may contact applicants to discuss the information set out in their Expression of Interest and to seek any clarifications deemed necessary. Applicants may be requested to submit supplementary information.

An applicant must meet the Minimum Eligibility Criteria (**Annex 2**) to progress to Stage 3, based on both the written information submitted and any discussions held. SBCI will inform applicants of the outcome of Stage 2 by email.

Stage 3 – Initial Allocation

Assessment

Those applicants that meet the Minimum Eligibility Criteria are then further assessed based on the criteria set out in **Annex 2**. The score of an applicant will determine its ranking among the other applicants in this phase of the process.

Applicants in each Portfolio will be allocated a share of the Maximum Portfolio Volume in accordance with the following methodology:

Allocation is the lower of A and B, where:

$A = (AS / TAS) * \text{the Maximum Portfolio Volume (Portfolio 1: €450m, Portfolio 2: €50m)}$

B = the amount of the Maximum Portfolio Volume requested by the applicant

AS = a successful applicant's Total Score

TAS = the aggregate of all successful applicants' Total Scores

If the amount allocated to a successful applicant is greater than the amount requested by that applicant, the surplus (i.e. A-B) will be allocated to the other applicants using the same methodology, adjusted for the exclusion of that successful applicant.

Note: SBCI may apply rounding to the nearest €5m for Portfolio 1 and €1m for Portfolio 2, for each allocation.

Stage 4 - Due Diligence and Completion

At this point in the process, the SBCI will communicate to the successful applicants an 'in principle' intention to enter into an agreement subject to satisfaction of any conditions precedent and completion of legal documentation. The SBCI has no obligation to enter into an agreement with a selected applicant.

Applicants are advised that selection as an On-Lender will be subject to a satisfactory risk assessment being undertaken by representatives from the EIF / EIB. Templates are included at **Annex 7** to facilitate EIF and EIB information requirements, and applicants are requested to complete these templates and return them with their Expression of Interest. If requested, applicants must facilitate a risk assessment to be undertaken promptly following submission of their applications (likely July 2025). The form of risk assessment to be carried out by the EIF / EIB, and information sought therein, will be entirely at the discretion of the EIF / EIB. However, if applicants have previously undergone EIF / EIB due diligence for other SBCI schemes a summary review process may be facilitated at the discretion of the EIF / EIB.

Before being able to commence lending via the Scheme, the applicant will be required to complete the following steps:

- A guarantee agreement must be signed by the applicant within 5 months of the date of publication of this Call. This is a standard form agreement to be entered into between the SBCI and a successful applicant, with very limited scope to negotiate changes.

- SBCI will provide the applicant with training on the use of the SBCI Hub, as well as general training and communications materials on how the Scheme works, which the applicant may choose to use to train its staff on the terms of each of the Scheme. The applicant is, however, responsible for ensuring that all relevant staff within its organisation are fully trained on how the Scheme works, and that all internal processes reflect the necessary Scheme process requirements.
- The applicant will be required to agree an operating model (being a manual setting out processes applicable to the Scheme) before lending can commence, which will detail the applicant's processes and procedures for delivering the Scheme loans to ensure they are robust and fit for purpose.
- Applicants who are not existing On-Lenders may be subject to a confirmatory due diligence process which would be undertaken by or on behalf of SBCI and which must be completed within 4 months of the date of publication of this Call.

Note

- SBCI will use all reasonable endeavours to (i) respond promptly to applicants at each stage of the application process; and (ii) progress all due diligence and legal negotiations which are within its control as quickly as possible.
- SBCI may request additional information to clarify issues or to supplement information at any stage of the application process.
- SBCI reserves the right to reject Expressions of Interest and proposals at any stage of the application process.

3.3 Delivery of Expressions of Interest and Additional Information

- Expressions of Interest and follow-on additional information should be submitted by email to GSLSopencall@sbc.gov.ie
- A response will be issued to all applicants via email.
- Any accompanying spreadsheets should be in Microsoft Excel format, ensuring that no formulas have been hidden or removed. If the document is password-protected, the password should be provided separately.
- By submitting an Expression of Interest, applicants confirm they have read this Call, including the Legal Notice at **Section 5**.

3.4 Publishing of Information

From time to time the SBCI may publish the names and associated details of those applicants who have been selected as an On-Lender in respect of the Scheme on its website. The associated details which may be published by SBCI may include the registered address of the successful applicant and the amount allocated to such successful applicant under the Scheme.

4. Requirements from On-Lenders

This section details the requirements for selection as an On-Lender. Applicants must be able to address all points to the full satisfaction of SBCI to progress through the selection process described in **Section 3**, and applicants are requested to explain how they will meet these requirements in the Expression of Interest application form. If a requirement is unclear to the applicant, or the applicant does not have or is unable to disclose the information, this should be raised with the SBCI at the earliest opportunity.

For the avoidance of doubt, satisfying all requirements does not guarantee that an application will be successful, and SBCI reserves the right to consider, assess and seek additional relevant information at its discretion.

4.1 Lending to SMEs & Small Mid-Caps, including primary producers trading in Ireland

Applicants should be able to demonstrate their track record in the provision of term loans to SMEs/Small Mid-Caps, including primary producers (including fisheries and aquaculture). In order to evidence the ability to deploy Scheme loans and meet the assessment criteria as set out in Stage 4 of Section 3 above, in particular the EIF/EIB requirements, applicants will be expected to have an existing comparable portfolio of at least €50m prior to their application.

4.2 Critical Mass

The structure of the guarantee means that for participation to be worthwhile for both the On-Lender and SBCI, applicants must be able to demonstrate through evidence-based forecasts the extent to which they intend to use the Scheme. Critical Mass requirements vary depending on the Portfolio in respect of which an allocation is being sought. SBCI would expect applicants to support a minimum deployment during the availability of the Scheme outlined as follows:

- Portfolio 1 – A minimum of €75m of new Scheme lending
- Portfolio 2 – A minimum of €15m of new Scheme lending

The terms of the guarantee agreements with successful applicants will also contain mechanisms to ensure that each On-Lender's portfolio of loans within the Scheme maintains the requirement to have a minimum of 30% of their portfolio in CA & ES Loans.

4.3 Eligible Financial Product Cost/Interest Rate

To reflect the significant coverage under the guarantee, minimum interest rate discounts will apply as detailed in Section 2.1.2. The pricing and/or fee details should be provided relating to each product an applicant proposes to distribute under the Scheme. The details provided should

include the 'before and after' interest/fee i.e. the price of the loan with and without the benefit of the Scheme. The applicant should include data on historic pricing for the same product on a historic basis (ideally greater than 12 months) to support / evidence the discount being proposed, highlighting interest rate changes where applicable.

Details of how minimum interest rate discount proposals will be evaluated under the Call are outlined in the applicant Scoring section of **Annex 2**. A template for applicants to complete detailing their pricing proposals is also included within this Annex. Applicants are required to outline the component parts of their interest rate, including their cost of funds as part of this template. Where deemed necessary, future proposed changes in the interest rates charged under the Scheme will require approval from SBCI. SBCI will seek to ensure that any proposals are transparently linked to cost of funding increases and ensure that the full benefit of the guarantee is passed from On-Lender to final borrower to avoid illegal State aid.

4.4 Availability of Capital

The applicant must be able to demonstrate that it has or will have sufficient capital available to meet its lending forecasts for the duration of the Scheme, covering lending both with and without the support of the Scheme. If the applicant currently has SBCI liquidity, then it may not use this funding for loans under the Scheme.

Where the availability of or freedom to deploy capital is subject to conditions which may affect the applicant's ability to deploy capital for lending under the Scheme, this must be declared. In such cases the applicant should verify the position with the relevant provider(s) of the capital.

4.5 Operations, Management Team and Track Record

Applicants must demonstrate a viable business model and robust operations and systems. Applicants must demonstrate that robust and tested systems and processes are in place for making and managing the proposed loan facilities. This requirement includes, but is not limited to, origination processes, risk management and underwriting capabilities and processes, lending documentation, back-office systems, monitoring and compliance, governance arrangements, complaints management and management information reporting. Applicants must also be able to demonstrate that they have a competent team, with sufficient expertise to execute the proposed strategy for lending under the Scheme.

An applicant must have appropriate standards of reputation and integrity, including appropriate ethical standards in all areas of its proposed operations, together with appropriate processes in place to maintain these. The applicant must be able to demonstrate this as part of its proposal.

4.6 Regulation

An applicant is expected to be appropriately regulated, licensed and have the necessary authorisations and permissions to conduct activities consistent with its lending strategy. Applicants who are in the process of applying for the necessary regulatory approvals can still apply to become an On-Lender for the Scheme but obtaining those relevant approvals will be a condition precedent for progression through the process. All applicants must also be able to demonstrate transparent and appropriate tax structures.

4.7 Legal Structure

All applicants, if successful, will be required to enter a “standard form” guarantee agreement with the SBCI. The guarantee agreement will be drafted on the basis that the origination and servicing of the loans under the Scheme is undertaken by the same legal entity as the named On-Lender (the “lender of record”), who contracts with the underlying borrower. SBCI can also accommodate a structure whereby two corporate entities from the same group contract to separately originate and service loans under the Scheme.

If an applicant has a business model that does not fit the standard form guarantee agreement, then its application will be considered using a risk and judgement-based approach which will appraise (among other matters) the risk sharing and alignment of interests between the SBCI and the On-Lender, which requires the On-Lender to have a financial interest in the performance of its loan portfolio.

The SBCI will inform applicants at the Expression of Interest stage if their lending model does not fall within the structure of the standard form guarantee agreement and any additional costs incurred by SBCI in modifying its standard form guarantee agreement to accommodate business models other than those contemplated above may be for the account of the applicant. Similarly, to the extent that an On-Lender requests subsequent amendment(s) to the executed guarantee agreement, such costs shall be borne by the On-Lender. These costs will be notified to the applicant in advance, where possible.

Where the applicant utilises a platform which pairs borrowers and individual lenders but does not itself provide credit to underlying borrowers or assume the rights of the person who provided the credit, (i.e. it is not the lender of record), it will not be considered a suitable On-Lender for the Scheme. This means that an institutional investor lending through a platform, rather than the platform itself, should be accredited as an On-Lender, with the platform entering into suitable arrangements to be able to originate loans under the Scheme. Applicants must be able to demonstrate that the platform that they originate loan facilities through is capable of ring-fencing institutional funds and complying with the other requirements of the Scheme.

5. Legal Notice

Applicants who submit an Expression of Interest are deemed to acknowledge and accept the terms and conditions set out in this Call, including this section.

SBCI reserves the right at any time not to continue with the current process and/or cancel or withdraw from the process at any stage and any costs or expenses incurred by applicants will not be reimbursed. SBCI hereby excludes any liability it may have whatsoever for any costs, expenses or losses incurred by any applicant who decides to take part in this Call.

SBCI reserves the right to reject any submissions and/or proposals at any time. SBCI reserves the right to amend any timetable and/or other aspects of the current process at its discretion. SBCI may request clarification of information and additional information regarding a response and/or may also request video conference or face to face meetings. Refusal to provide such clarification or information or to attend such meetings may cause a submitted response to be rejected and the entire submission subsequently treated as if it had been withdrawn. Where no reply to a request for information or for clarification or a meeting is received within ten business days of such request SBCI may assume that the submission has been withdrawn in its entirety.

Applicants should note that information received by the SBCI as part of the application process, including personal data (if any), may be published or disclosed in accordance with access to information legislation.

These are primarily the Freedom of Information Act 2014, the European Communities (Access to Information on the Environment) Regulations 2007 to 2018 and data protection regulations and legislation, including but not limited to the Data Protection Acts 1988 to 2018 (as amended) and the European Union's General Data Protection Regulation ((EU) 2016/679). In view of this, should applicants consider that any information should be treated as confidential and/or commercially sensitive, applicants must set out why they consider this to be the case in each instance. Automatic confidentiality disclaimers generated by IT systems will not, in themselves, be regarded as binding.

If the SBCI receives a request for disclosure of information provided pursuant to this Call, full account will be taken of any explanation, but no assurance can be given that confidentiality will be maintained in all circumstances.

Decisions on disclosure remain the responsibility of the SBCI and the Information Commissioner and the courts.

Personal data will be processed in accordance with the privacy notice on SBCI's website <https://sbci.gov.ie/data-protection-notice>

ANNEX 1

Application Form No. 1 Expression of Interest for an Existing SBCI On-Lender

| Information required | |
|----------------------|---|
| Name of the Entity | |
| Name of Applicant | |
| Principal Contact(s) | |
| Contact Details | Address (registered office): Telephone: E-mail: |

Certification and Authority to Submit

Dear Sirs,

We are submitting our Expression of Interest on behalf of [*Insert name of Applicant*] (the “Applicant”) in response to the Open Call for Expression of Interest in the Series 2 : Growth and Sustainability Loan Scheme (the “Scheme”) to be implemented by the SBCI (the “Call”).

The undersigned is/are duly authorised to submit this application form on behalf of the Applicant and by signing this form certifies/certify and declare(s) that:

- a) the information contained in this application and any supporting documentation is complete and accurate in all respects.
- b) if selected, the Applicant commits to complying with all requirements set by the SBCI for the successful delivery of the Scheme.
- c) the Applicant is authorised to carry out lending activities to businesses in the State; and
- d) the Applicant is an On-Lender, as defined in **Section 1.3** of the Call.

I understand that selection as an On-Lender for the Scheme is subject to the terms of the Call and that submission of this information does not confer any particular status or entitlement upon the Applicant.

The undersigned further declares that the Applicant is **not** in one of the following situations of exclusion, (the “Exclusion Situation”), as at the date of this application form:

- a) the Applicant is bankrupt, is subject to insolvency or is being wound up, is having its affairs administered by a liquidator or by the courts, in this context, is in an arrangement with creditors, is having its business activities suspended or a standstill (or equivalent) agreement has been signed with creditors and validated by the competent court when required by the applicable law, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) in the past five (5) years, the Applicant has been the subject of a final judgment or final administrative decision for being in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law and where such obligations remain unpaid unless a binding arrangement has been established for payment thereof.
- c) in the past five (5) years, the Applicant or any of the persons having powers of representation, decision-making or control over it has been convicted by a final judgment or a final administrative decision for grave professional misconduct, where such conduct denotes wrongful intent or gross negligence.
- d) in the past five (5) years, the Application or persons having powers of representation, decision-making or control over it has been the subject of a final judgment for:
 - i) fraud.
 - ii) corruption.
 - iii) participation in a criminal organisation.
 - iv) money laundering or terrorist financing.
 - v) terrorist offences or offences linked to terrorist activities, or inciting, aiding, abetting or attempting to commit such offences.
 - vi) child labour and other forms of trafficking in human beings.
- e) the Applicant is under the published list of economic operators excluded or subject to financial penalty, in each case contained in the early detection and exclusion system database (the EDES database available at the official website of the EU) set up and operated by the Commission.

| |
|------------------------|
| Name(s) |
| Title / Role(s) |
| Signature(s) |
| Date |

Information to be supplied by the Applicants:

Applicants should seek to address each of the sections as closely as possible. Where any requested information is unavailable, or cannot be disclosed, Applicants should make this clear in their proposal. Applicants must submit a response (not more than 5 pages) following the format set out below.

Organisation Structure

- Brief background of the organisation including its principal lending activity.
- Brief outline of the key terms and price for its main business lending products.
- What is the strategy for SME/Small Mid-Cap business lending?
- Details of the applicant's strategy to support SMEs / Small Mid-Caps with credit for Climate Action and Environmental Sustainability measures.
- Applicant's ESG policy and / or strategy.
- Confirm regulatory approvals required and if in place.

Key Dependencies

- With reference to Section 3.2, On-Lenders must provide a comprehensive breakdown of key dependencies for launch (for e.g. IT windows, committee approvals and product signoffs etc) and what the potential delay and impact on launch these may have. Please complete the following table:

| Key Dependency | Delay & Impact on Launch |
|----------------|--------------------------|
| | |
| | |
| | |

Funding Structure

- The amount of the Scheme being requested by the Applicant – i.e. indicate which Portfolio an Allocation is being sought under, and what amount the Applicant will deploy.
- Applicants must be capable of lending a minimum of €75m under Portfolio 1 or €15m under Portfolio 2, during the duration of the Scheme.

Availability of Capital

- Applicants must have or will have sufficient capital available to meet its lending forecasts both with and without the support of the Scheme. Applicants should highlight at this stage if some of their sources of capital come with conditions that may restrict their ability to deploy capital for lending under the Scheme.

- If the Applicant currently has SBCI liquidity, then it may not use this funding for loans under the Scheme.

Loan Pricing

- Applicants must provide pricing and/or fee details relating to each product that they propose to distribute under the Scheme. Minimum details should reflect interest/fee cost with and without the benefit of the Scheme as well as evidence of historic pricing for the same product on a historic basis, ideally >12 months.
- The minimum requirements for loan pricing are outlined in the table below. Please note that the minimum discount may include the guarantee fee (currently 0.51% but this is subject to change). For example, if the existing price of an unguaranteed loan under Category 1 Loans is 6%, the minimum required discount would mean the GSLS price is 4.25%, however the fee can be added back such that the borrower pays a rate of 4.76%.

| | CA & ES Loans | | Non-Green Qualifying Loans | |
|-------------------------|---------------------------|---------------------------|----------------------------|---------------------------|
| | Loan Category 1 <€250k | Loan Category 2 ≥€250k | Loan Category 1 <€250k | Loan Category 2 ≥€250k |
| Minimum Discount | 2.00% | 1.25% | 1.75% | 1.00% |

- Loan pricing should be clearly outlined in the template provided in **Annex 2**.

Lending Experience

- Applicants should provide high level evidence of their track records of lending to the SME/Small Mid-Cap market including portfolio details e.g. distribution per credit grade, defaults, arrears and region for at least a 5-year period.
- Applicants must demonstrate their ability to manage their pipeline/loan drawdowns to manage the requirement to have at least 30% CA & ES Loans.
- Projected details of the proposed portfolio risk e.g. diversified by sector, geography, size of loans, credit grade. Applicants should provide some background on how they have produced this forecast. Please identify existing SME 'Green' portfolio / sub-portfolios if possible and provide information in relation to the applicant's strategy in relation to supporting SMEs / Small Mid-Caps with credit to support Environmental Sustainability Measures.
- Applicants should also provide actual default rates for the previous three years as well as projected default rates for the coming two years for the full SME/ Small Mid-Caps portfolio.
- Arrears rates (60+ days) on a quarterly basis for the full SME/Small Mid-Caps portfolio for the last three years.

Financial Details

- Details of Financial Standing – Please complete the table below.
- Copies of annual reports (including full set of financial statements with independent auditor's report) for the last three years.
- Please also provide estimates of annualised probability of default (PD) and loss given default (LGD) for each of the three years for the comparable SME/Small Mid-Caps portfolio.

| EUR: - '000 | Year (N-3) | Year (N-2) | Year (N-1) |
|--|---------------|---------------|---------------|
| Net profit | | | |
| Return on equity (%) | | | |
| Total assets | | | |
| Total Loan Book | | | |
| Total Irish (RoI) SME/Small Midcap Loan Book (in % of Total Loan Book) | | | |
| Cost/income (%) | | | |
| Shareholders' equity | | | |
| Tier 1 capital ratio (%) (or applicable equivalent, if relevant) | | | |
| Solvency ratio (%) (or applicable equivalent, if relevant) | | | |

Application Form No. 2

Expression of Interest for potential New On-Lender (i.e. a New On-Lender is a lender who has not participated in prior Schemes or Liquidity with SBCI)

| Information required | |
|----------------------|---|
| Name of the Entity | |
| Name of Applicant | |
| Principal Contact(s) | |
| Contact Details | Address (registered office): Telephone: E-mail: |

Certification and Authority to Submit

Dear Sirs,

We are submitting our Expression of Interest on behalf of [*Insert name of Applicant*] (the "Applicant") in response to the Open Call for Expression of Interest in the Series 2: Growth and Sustainability Loan Scheme (the "Scheme") to be implemented by the SBCI, (the "Call").

The undersigned is/are duly authorised to submit this application form on behalf of the Applicant and by signing this form certifies/certify and declare(s) that:

- a) the information contained in this application and any supporting documentation is complete and accurate in all respects.
- b) if selected, the Applicant commits to complying with all requirements set by the SBCI for the successful delivery of the Scheme.
- c) the Applicant is authorised to carry out lending activities to businesses in the State, or is in the process of applying for such authorisation; and
- d) the Applicant is an On-Lender, as defined in **Section 1.3** of the Call.

I understand that selection as an On-Lender for the Scheme is subject to the terms of the Call and that submission of this information does not confer any particular status or entitlement upon the Applicant.

The undersigned further declares that the Applicant is **not** in one of the following situations of exclusion, (the "Exclusion Situation"), as at the date of this application form:

- a) the Applicant is bankrupt, is subject to insolvency or is being wound up, is having its affairs administered by a liquidator or by the courts, in this context, is in an arrangement with creditors, is having its business activities suspended or a standstill (or equivalent) agreement has been signed with creditors and validated by the competent court when required by the applicable law, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) in the past five (5) years, the Applicant has been the subject of a final judgment or final administrative decision for being in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law and where such obligations remain unpaid unless a binding arrangement has been established for payment thereof.
- c) in the past five (5) years, the Applicant or any of the persons having powers of representation, decision-making or control over it has been convicted by a final judgment or a final administrative decision for grave professional misconduct, where such conduct denotes wrongful intent or gross negligence.
- d) in the past five (5) years, the Application or persons having powers of representation, decision-making or control over it has been the subject of a final judgment for:
 - i) fraud.
 - ii) corruption.
 - iii) participation in a criminal organisation.
 - iv) money laundering or terrorist financing.
 - v) terrorist offences or offences linked to terrorist activities, or inciting, aiding, abetting or attempting to commit such offences.
 - vi) child labour and other forms of trafficking in human beings.
- e) the Applicant is under the published list of economic operators excluded or subject to financial penalty, in each case contained in the early detection and exclusion system database (the EDES database available at the official website of the EU) set up and operated by the Commission.

| |
|------------------------|
| Name(s) |
| Title / Role(s) |
| Signature(s) |
| Date |

Information to be supplied by the Applicants:

This template is designed for use by all sizes of financial providers that wish to apply to become an On-Lender under the Scheme. Some of the guidance points listed under each section below may not be relevant to all Applicants and can therefore be excluded on the basis of non-relevance in the relevant Applicant's submission, as applicable.

Subject to the foregoing paragraph, Applicants should seek to address each of the sections as closely as possible. Where any requested information is unavailable, or cannot be disclosed, Applicants should make this clear in their proposal.

Proposals should be focused on lending to viable SMEs/Small Mid-Caps that are eligible for loans under the Scheme.

Organisation Structure

- Brief background of the organisation (date of establishment, number of employees, capital structure and shareholders, organisational structure, distribution network, number of branches, etc.) including its principal lending activity.
- Brief outline of the key terms and price for its main business lending products.
- Description of internal organisation set-up (and roles) for the implementation of the Scheme, including the team (or unit) and/or internal mechanisms.
- Outline of legal structure and tax structure, to include a group structure diagram where there is more than one company.
- What is the strategy for SME/Small Mid-Cap business lending?
- Details of the applicant's strategy to support SMEs / Small Mid-Caps with credit for Climate Action and Environmental Sustainability measures.
- Applicant's ESG policy and / or strategy and how it is implemented.
- Confirm regulatory approvals required and if in place.

Key Dependencies

- With reference to Section 3.2, On-Lenders must provide a comprehensive breakdown of key dependencies for launch (for e.g. IT windows, committee approvals and product signoffs etc) and what the potential delay and impact on launch these may have. Please complete the following table:

| Key Dependency | Delay & Impact on Launch |
|----------------|--------------------------|
| | |
| | |
| | |

Funding Structure

- The amount of the Scheme being requested by the Applicant – i.e. indicate which Portfolio an Allocation is being sought under, and what amount the Applicant will deploy.
- Applicants must be capable of lending a minimum of €75m under Portfolio 1 or €15m under Portfolio 2, during the duration of the Scheme.

Availability of Capital

- Please demonstrate that you have or will have sufficient capital available to meet your lending forecasts both with and without the support of the Scheme. Please highlight at this stage if some of your sources of capital come with conditions that may restrict your ability to deploy capital for lending under the Scheme.

Loan Pricing

- Applicants must provide pricing and/or fee details relating to each product that they propose to distribute under the Scheme. Minimum details should reflect interest/fee cost with and without the benefit of the Scheme as well as evidence of historic pricing for the same product on a historic basis, ideally >12 months.
- The minimum requirements for loan pricing are outlined in the table below. Please note that the minimum discount may include the guarantee fee (currently 0.51% but this is subject to change) For example, if the existing price of an unguaranteed loan under Category 1 Loans is 6%, the minimum required discount would mean the GSLS price is 4.25%, however the fee can be added back such that the borrower pays a rate of 4.76%.

| | CA & ES Loans | | Non-Green Qualifying Loans | |
|-------------------------|-----------------|-----------------|----------------------------|-----------------|
| | Loan Category 1 | Loan Category 2 | Loan Category 1 | Loan Category 2 |
| | <€250k | ≥€250k | <€250k | ≥€250k |
| Minimum Discount | 2.00% | 1.25% | 1.75% | 1.00% |

- Loan pricing should be clearly outlined in the template provided in **Annex 2**.

Lending Strategy

- Demonstrate an ability to access eligible SMEs/Small Mid-Caps by describing the distribution channels already in place or which will be put in place (including number of branches, number of employees, business segments, referral networks, etc.).
- Applicants must demonstrate their ability to manage their pipeline/loan drawdowns to meet the requirement to have at least 30% CA & ES Loans.
- Information detailing plans as well as capacity to generate lending to SMEs/Small Mid-Caps to the portfolio level proposed.

- Plans for launching the Scheme to the market including necessary pre-implementation actions (adoption of IT systems, loan documents, marketing etc.) to facilitate compliance with the indicative rules of the Scheme.
- Information regarding the applicant's strategy in relation to supporting SMEs / Small Mid-Caps with credit to support Climate Action and Environmental Sustainability measures.

Lending Experience

- Applicant's share of the SME and Small Mid-Cap lending market, main competitors, trends and outlooks.
- SME/Small Mid-Cap lending volumes – current and budgeted. Track record of ability to originate loans.
- Details of Applicant's business lending portfolio e.g. distribution per credit grade, region, subset of SME/Small Mid-Cap sector, if available, historic performance of existing portfolio by reference to default/loss rates and credit rating profile for at least the last 5 years. Please identify existing SME 'Green' portfolio / sub-portfolios if possible as part of the analysis.
- Applicant's strategy in relation to the SME/Small Mid-Cap sector (positioning, strengths and weaknesses, core products).
- Projected details of the proposed portfolio risk e.g. diversified by sector, geography, size of loans, credit grade. Applicants should provide some background on how they have produced this forecast.
- Applicants should also provide actual default rates for the previous three years as well as projected default rates for the coming two years for the full SME/Small Mid-Caps portfolio.
- Arrears rates (60+ days) on a quarterly basis for the full SME/Small Mid-Caps portfolio for the last three years.
- Details of team, describing expertise appropriate for meeting the requirements of the Scheme.
- Details of prior/proven experience (inclusive of compliance with relevant operational and reporting requirements) with the deployment of other similar products.

Team, Systems and Processes

- Applicants to set out at a high level (and with supporting documentation) details of robust and tested systems and processes in place for making and managing Scheme-supported lending facilities. This requirement includes, but is not limited to, origination processes, risk management and underwriting capabilities and processes, loan documentation, back-office systems, monitoring and compliance, governance arrangements and management information reporting.
- Each Applicant to demonstrate at a high level that it has a competent team, with sufficient expertise to execute the proposed strategy for lending under the Scheme.

- Information regarding internal credit risk assessment criteria and management procedures for financing the SME/Small Mid-Cap sector.
- Other information relevant to the Applicant's SME/Small Mid-Cap sector financing activity.
- Ability to report the data required to be provided to the SBCI under the Scheme as set out in **Annex 3**.

Financial Details

- Details of Financial Standing. Applicant to complete the table below.
- Copies of annual reports (including full set of financial statements with independent auditor's report) for the last three years.
- Confirmation that taxes are up to date.
- Please also provide estimates of annualised probability of default (PD) and loss given default (LGD) for each of the three years for the comparable SME/Small Mid-Caps portfolio.

| EUR: - '000 | Year (N-3) | Year (N-2) | Year (N-1) |
|---|---------------|---------------|---------------|
| Net profit | | | |
| Return on equity (%) | | | |
| Total assets | | | |
| Total Loan Book | | | |
| Total Irish (RoI)SME/Small Midcap Loan Book (in % of Total Loan Book) | | | |
| Cost/income (%) | | | |
| Shareholders' equity | | | |
| Tier 1 capital ratio (%) (or applicable equivalent, if relevant) | | | |
| Solvency ratio (%) (or applicable equivalent, if relevant) | | | |

ANNEX 2

| | MINIMUM ELIGIBILITY CRITERIA | System of appraisal (for SBCI use only) |
|------------|--|---|
| | | Yes/No |
| 1.1 | The applicant currently lends (or intends to lend) to Irish SMEs/Small Mid-Caps. | |
| 1.2 | The applicant is authorised to carry out lending activities within the State. | |
| 1.3 | The applicant and its senior management do not meet any of the Exclusion Criteria (see Annex 1). | |
| 1.4 | The applicant is an On-Lender (see Section 1.3). | |
| 1.5 | The Expression of Interest is complete including relevant supporting information. | |
| 1.6 | The Expression of Interest has been submitted on or before the Deadline Date. | |

Applicant Assessment

Below are the maximum scores for each category of the assessment. The weighting that each section has been assigned is based on the importance of that section to the selection of an On-Lender for the Scheme.

All applications will be assessed using these guidelines. If the SBCI is of the view that it does not have sufficient information to score the applicant, it will revert to the applicant to request additional or better information. On receipt of such additional or better information, SBCI will complete the assessment.

| | Applicant Scoring for Portfolio 1 and Portfolio 2 Allocation - Phase 2 | |
|----------|--|----|
| 1 | Does the applicant currently lend to SMEs/Small Mid-Caps? | 5 |
| 2 | Is the applicant authorised to carry out lending activities within the State? | 5 |
| 3 | Has the applicant provided sufficient information to assess the quality and plausibility of the proposal for implementation of the Scheme? Particular focus on the applicant's proposal with regards to its operational readiness. | 20 |
| 4 | Has the applicant provided an appropriate promotions campaign including a quality/detailed marketing strategy proposal, evidence of ability to deliver an effective promotional campaign and potential for broad visibility and impact? | 15 |
| 5 | Ability of the applicant to deploy the size of portfolio indicated in the application. Experience and ability of the applicant to provide finance to SMEs/Small Mid-Caps including applicant's track record in loan origination and credit management. | 45 |
| 6 | Can the applicant evidence an existing portfolio / sub-portfolio of 'Green' Loans to SMEs and demonstrate a strategy to support SMEs / Small Mid-Caps in their environmental sustainability journey and achieve the 30% CA&ES deployment hurdle? | 20 |

| | | |
|--|---|------------|
| 7 | Has the Applicant provided evidence of a well developed and implemented ESG policy / strategy? | 15 |
| 8 | Financial standing of the applicant as evidenced by external credit rating and/or the SBCI's financial analysis of the applicant. | 15 |
| 9 | Applicant's existing market share of SME/Small Mid-Cap sector. | 20 |
| Maximum Score • Minimum score of 80 marks required to progress to Allocation – Phase 2 | | 160 |

| Applicant Scoring for Portfolio 1 and Portfolio 2 Allocation - Phase 2 | | Marks |
|--|--|--------------|
| i. CA & ES Loans: (50% score weighting) ii. Non-Green Qualifying Loans: (50% score weighting) | | 380 |
| Loan Category 1 | Loans up to €249,999. | |
| Loan Category 2 | Loans greater than or equal to €250,000. | |
| Loan Category Weighting | This is a 30:70 weighting that will be applied when scoring the Maximum Interest Rate proposed by the applicant for Loan Category 1 and Loan Category 2 respectively. | |
| Current Interest Rate | The current interest rate an applicant has charged for the equivalent loan to be covered under the Scheme, to be supported by satisfactory evidence spanning a period of 12 months or more. Note: If the applicants pricing structure includes fees, then the proposal should reflect the makeup of the entire cost to the borrower. | |
| Guarantee Fee | To be finalised following EIF risk assessment, (currently 0.51% but this is subject to change) being the cost charged per annum by the SBCI to the On-Lender for the provision of an 80% guarantee on the outstanding balance of eligible loans. | |
| Proposed Interest Rate | The proposed interest rate to be charged to borrowers under the Scheme, inclusive of fees if applicable. Proposed interest rate should exclude the indicative guarantee fee | |
| Discount | The difference between the current and proposed interest rate, expressed in interest rate percentage terms. | |

Scoring:

Each applicant to determine the discount it will apply to the Scheme loans under Loan Category 1 and Loan Category 2 for CA & ES Loans and for Non-Green Qualifying Loans. Marks will be awarded based on the discount each applicant applies to the Current Interest Rate as follows:

| Portfolio 1/Portfolio 2 - Minimum Interest Rate Discount | Marks CA & ES Loans | Marks Non-Green Qualifying Loans |
|--|------------------------|--|
| 80% | 145 | 140 |
| 75% | 135 | 130 |
| 70% | 130 | 120 |
| 65% | 120 | 110 |
| 60% | 110 | 100 |
| 55% | 100 | 90 |
| 50% | 90 | 80 |
| 45% | 80 | 70 |
| 40% | 70 | 60 |
| 35% | 60 | 50 |
| 30% | 50 | 40 |
| 25% | 30 | 30 |
| 20% | 20 | 20 |
| 15% | 10 | 10 |

Please note that where an applicant submits a pricing discount matrix (i.e. a range of pricing discounts across different loan sizes) the score will be applied against the lowest interest rate discount on that matrix.

The Loan Category Weighting will then be applied to each of the marks awarded for Loan Category 1 and Loan Category 2, for CA & ES Loans and for Non-Green Qualifying Loans, therefore creating a Total Score for Phase 2. An example of the calculation for Phase 2 scoring is shown below.

Example Phase 2 Scoring

| Scheme Loans | Proposed Interest Rate Equating to Discount of | Score | Weighting | Weighted Score |
|--------------------------|---|-------|-----------|-------------------|
| CA & ES Loans | | | | |
| Category 1 | 55% | 100 | 30% | 30 |
| Category 2 | 30% | 50 | 70% | 35 |
| | | | | 65 |

| | | | | | | | | | | | | | | | | | | | |
|--|-----|----|-----|-----------|------------|-----|----|-----|----|------------|-----|----|-----|----|--|--|--|--|----|
| Non-Green Qualifying Loans <table border="1"> <tr> <td>Category 1</td><td>40%</td><td>60</td><td>30%</td><td>18</td></tr> <tr> <td>Category 2</td><td>20%</td><td>20</td><td>70%</td><td>14</td></tr> <tr> <td colspan="4"></td><td>32</td></tr> </table> | | | | | Category 1 | 40% | 60 | 30% | 18 | Category 2 | 20% | 20 | 70% | 14 | | | | | 32 |
| Category 1 | 40% | 60 | 30% | 18 | | | | | | | | | | | | | | | |
| Category 2 | 20% | 20 | 70% | 14 | | | | | | | | | | | | | | | |
| | | | | 32 | | | | | | | | | | | | | | | |
| Total Weighted Score from a maximum of 380 | | | | 97 | | | | | | | | | | | | | | | |
| <p>Note 1: Applicants are asked to submit the proposed minimum interest rate discount in a manner that can be transparently tracked throughout the life of the Scheme i.e. funding cost should clearly be presented for example EURIBOR basis (1M, 3M, 6M) plus any additional internal cost allocations if applicable.</p> <p>Note 2: It will be a requirement that throughout the life of the Scheme the applicant adheres to the agreed internal margin(s) above transparent and trackable funding costs.</p> | | | | | | | | | | | | | | | | | | | |

Minimum Interest Rate Discount Proposal Table – to be completed by Applicants (for both CA & ES Loans and Non-Green Qualifying Loans) is displayed below:

| | CA & ES Loans | | Non-Green Qualifying Loans | |
|--|---------------------------|---------------------------|----------------------------|---------------------------|
| | Loan Category 1 <€250k | Loan Category 2 ≥€250k | Loan Category 1 <€250k | Loan Category 2 ≥€250k |
| <i>A: Current Interest Rate</i> | <i>E.g. 5.5%</i> | <i>E.g. 4.5%</i> | <i>E.g. 5.5%</i> | <i>E.g. 4.5%</i> |
| <i>B: Proposed Interest Rate (excluding Guarantee Fee)</i> | % | % | % | % |
| <i>Discount (A-B)</i> | % | % | % | % |
| Interest Rate Proposal breakdown | | | | |
| <i>Proposed Interest Rate Inc Guarantee Fee</i> | % | % | % | % |
| <i>Consists of</i> | | | | |
| <i>Indicative Guarantee Fee*</i> | <i>0.51%</i> | <i>0.51%</i> | <i>0.51%</i> | <i>0.51%</i> |
| <i>Funding Costs **</i> | % | % | % | % |
| <i>Other [Free text]</i> | % | % | % | % |

***Current estimate of fee, if fee decreases then Proposed Interest Rate Inc Guarantee Fee shall be deemed to reduce in line by the same amount**

****Applicants must choose a cost of funds benchmark that is able to be transparently tracked throughout the life of the Scheme for example 1M, 3M, or 6M EURIBOR plus set out any additional internal cost allocations if applicable.**

| | | |
|--|--|--|
| | <p>Applicant's Total Score is Phase 1 score + Phase 2 score (i.e. maximum 540) Successful applicants will be allocated a share of the Expanded Maximum Portfolio Volume in accordance with the following methodology:</p> <p>Allocation is the lower of A and B, where:</p> <p>A = $(AS / TAS) * \text{the Expanded Maximum Portfolio Volume (€450m for Portfolio 1 or €50m for Portfolio 2)}$</p> <p>B = the amount of the Maximum Portfolio Volume requested by the applicant</p> <p>AS = a successful applicant's Total Score</p> <p>TAS = the aggregate of all successful applicants' Total Scores</p> <p>For example, If Applicant A's (Portfolio 1) total score is 390 marks and Applicant B's score is 410 and Applicant C's score is 500, then Applicant A is allocated $390/1,300 * €450m = €135m$.</p> <p>If the amount allocated to a successful applicant is greater than the amount requested by that applicant, the surplus (i.e. A-B) will be allocated to the other successful applicants for that portfolio using the same methodology, adjusted for the exclusion of that successful applicant.</p> | |
|--|--|--|

ANNEX 3

Indicative Information Requirements under the Scheme*

- Some requirements may evolve as the Scheme moves towards its launch

| Fields | Collected by | Details |
|--|--------------|---|
| 1) Data outlined below is required on each loan via the SBCI Hub | | |
| Borrower Name | SBCI | |
| Contact Name | SBCI | |
| Contact Telephone Number | SBCI | |
| Contact Email | SBCI | |
| Registration or Identification Number | SBCI | Company Registration Number, VAT Registration Number, Herd Number or Other Identification |
| Address | SBCI | Borrower Address |
| EIRCODE | SBCI | |
| County | SBCI | |
| Date of Establishment | SBCI | YYYY |
| Principal activities in Ireland | SBCI | Y or N |
| Based in Ireland | SBCI | Y or N |
| Sector (NACE code) | SBCI | NACE Codes (select from list) |
| Previous State Aid | SBCI | Value of state aid incurred in the last 3 fiscal years |
| Number of employees | SBCI | Current number of employees (FTE) |
| Total turnover | SBCI | Mandatory |
| Total assets | SBCI | Mandatory (not negative) |
| Enterprise Ireland client | SBCI | Y or N |
| Bord Bia client | SBCI | Y or N |
| Pre-clearance Reference No. | SBCI | |
| CA & ES Eligibility Criteria | SBCI | EIF Use Case Criteria – Range 1.1 to 7.2 |
| Additional Renewable or other safe and sustainable zero and low-emission energy generation capacity (MW) | SBCI | Mandatory where applicable |
| Estimated primary energy savings generated by the projects in kWh/year | SBCI | Mandatory where applicable |
| Annual greenhouse gases reduced / avoided in tonnes of CO2 equivalent/year | SBCI | Mandatory where applicable |
| kWh Storage capacity | SBCI | Mandatory where applicable |
| Borrower Transaction ID | On-Lender | Unique Transaction Identifier (account number) |
| Borrower internal score/rating | On-Lender | Credit Grade |
| Principal amount | On-Lender | Loan amount sanctioned |

| | | |
|--|-----------|---|
| Maturity (months) | On-Lender | Period starting from signature date of Borrower Transaction to scheduled final payment date |
| Grace Period (months) | On-Lender | Interest only period |
| Interest Rate / Margin | On-Lender | Margin charged by OL - expressed as a decimal number rather than a percentage |
| Signature Date | On-Lender | Date of loan agreement (dd/mm/yyyy) |
| First Disbursement Date | On-Lender | Date of first principal drawdown (dd/mm/yyyy) |
| First Instalment Date | On-Lender | Date of first principal repayment (dd/mm/yyyy) |
| Payment Frequency | On-Lender | Drop down menu - Repayment of a Final Recipient Transaction granted |
| On-Lender Rating Scale | On-Lender | Provided by OL during set up phase |
| LGD | On-Lender | Static Data - Provided by OL during set up phase |
| Type of Security taken | On-Lender | From a permitted list of options |
| Value of Security taken | On-Lender | |
| | | |
| 2) On-going Quarterly Reporting | | |
| Borrower Transaction ID | On-Lender | Unique Transaction Identifier (account number) |
| Cumulative Disbursement | On-Lender | Actual total disbursed amount of each loan |
| Outstanding Principal amount | On-Lender | Current balance |
| Interest Rate / Margin | On-Lender | |
| Borrower Internal Score/Rating | On-Lender | Credit Grade |
| On-Lender Rating Scale | On-Lender | |
| Repayment Date | On-Lender | Date of full repayment of the outstanding principal (dd/mm/yyyy) |
| End of Disbursement | On-Lender | Y or N field (Y = Loan fully drawn, N = Loan not yet fully drawn) |
| Delinquent Borrower Transaction | On-Lender | Y or N field (Y = In arrears at quarter end, N = No arrears) |
| Delinquent Period | On-Lender | If field above "Y" then include number of days in arrears |
| Defaulted Borrower Transaction | On-Lender | Y or N field (Y = defaulted [arrears 90 days+], N = No arrears/arrears < 90 days) |
| Date of Defaulted Borrower Transaction | On-Lender | Date of default/restructure/acceleration (dd/mm/yyyy) |
| Moratorium | On-Lender | Type of Moratorium, (not just Y/N) |

ANNEX 4

Indicative State Aid Rules applicable to the Scheme

This Scheme is subject to the State aid rules set out in:

- 1) the General Block Exemption Regulation - Commission Regulation (EU) No 651/2014 hereinafter referred to as “GBER”;
- 2) the Agriculture Block Exemption Regulation - Commission Regulation (EU) No 2022/2472 hereinafter referred to as “ABER”;
- 3) The Fishery Block Exemption Regulation – Commission Regulation (EU) No 2022/2473 hereinafter referred to as “FIBER”; and
- 4) the De Minimis Regulation – Commission Regulation (EU) No 2023/2831 of 13 December 2023 hereinafter referred to as “De Minimis”.

The Scheme will operate under a combination of De Minimis, Article 17 GBER, Article 29 GBER, Article 14 ABER, Article 17 ABER, Article 20 FIBER. The rules that apply will depend on the borrower and the loan type. The Scheme may or may not include Fisheries depending on Departmental approval which will be determined at a later date. The following table provides a **summary** of the State aid rules and other restrictions applicable to the Scheme:

| Loan | Loan Purpose | Category of borrowers | Excluded undertakings/loan purposes | State aid thresholds |
|-------------|--|--|--|--|
| Art 17 GBER | Long term investment in 1) setting up a new establishment or extension of an existing one; 2) diversification of output into new additional products; 3) fundamental change in production process; 4) acquisition of assets of an establishment where the establishment would have otherwise closed had it not been purchased. | <ul style="list-style-type: none"> • SMEs | <ul style="list-style-type: none"> • Undertakings active in the primary agricultural production sector • Undertakings active in the fishery and aquaculture sector • Small Mid-Caps | <ul style="list-style-type: none"> • Maximum aid amount is EUR 8.25m per undertaking per investment project • Maximum aid intensity is 10% of eligible costs for medium enterprises and 20% of eligible costs for small enterprises. |
| Art 29 GBER | Long term investment in process and organizational innovation. | <ul style="list-style-type: none"> • SMEs • Undertakings active in the fishery and aquaculture sector • | <ul style="list-style-type: none"> • Those businesses investing but not innovating in terms of process and organization. • Small Mid-Caps | <ul style="list-style-type: none"> • Maximum aid amount is EUR 12.5m per undertaking per project • Maximum aid intensity is 50% of eligible costs |
| Art 14 ABER | Long-term investment linked to primary agricultural production. | <ul style="list-style-type: none"> • SMEs and Small Mid-Caps active in the primary agricultural production sector | <ul style="list-style-type: none"> • Land purchase • Livestock • Working capital • Payment entitlements • Drainage • Biofuels • Annual plants | <p>€600K per undertaking per project for primary agriculture</p> <p>Maximum aid intensity is 65% of eligible costs</p> |

| | | | | |
|--|--|---|--|---|
| | | | <ul style="list-style-type: none"> • Wiring or cabling for data networks outside the private property | |
| Art 17 ABER | Long-term investment in connection with the processing and marketing of agricultural products. | <ul style="list-style-type: none"> • SMEs and Small Mid-Caps active in the processing and marketing of agricultural products | <ul style="list-style-type: none"> • Land purchase • Livestock • Working capital • Drainage • Annual plants • Biofuels • Wiring or cabling for data networks outside the private property | <p>Maximum aid amount is EUR 7.5m per undertaking per project</p> <p>Maximum aid intensity is 65% of eligible costs</p> |
| Article 20 FIBER | Aid to first acquisition of a fishing vessel | <ul style="list-style-type: none"> • Natural persons under 40 (young fishers) who has worked at least five years as a fisher or has acquired adequate qualifications | <ul style="list-style-type: none"> • Aid shall only be granted in respect of fishing vessels that meet Article 20 criteria | Maximum aid intensity of 40% of the eligible costs and not greater than 75k per fisher per fishing vessel. |
| De minimis | Long term investment. | <ul style="list-style-type: none"> • SMEs/Small Midcaps | <ul style="list-style-type: none"> • Undertakings active in the primary agricultural production sector • Undertakings active in the primary production of fishery and aquaculture products | €300k in the previous 3-year period. |
| N.B. The above table is a summary only. For the complete text on State aid rules, please refer to the relevant regulation. | | | | |

ANNEX 5

Sectors Excluded under the Scheme by the Irish Authorities (indicative only and subject to change by SBCI)

| NACE Code | Description |
|--|--|
| AGRICULTURE, FORESTRY AND FISHING | |
| 11500 | Growing of tobacco |
| MINING & QUARRYING | |
| 50000 | Mining of coal and lignite |
| 51000 | Mining of hard coal |
| 52000 | Mining of lignite |
| 60000 | Extraction of crude petroleum and natural gas |
| 61000 | Extraction of crude petroleum |
| 62000 | Extraction of natural gas |
| 62010 | Natural gas liquefaction |
| 62030 | Regasification of natural gas |
| 63000 | Compound derivatives from waste recycling (for energy use) |
| 70000 | Mining of metal ores |
| 71000 | Mining of iron ores |
| 72000 | Mining of non-ferrous metal ores |
| 72100 | Mining of uranium and thorium ores |
| 72900 | Mining of other non-ferrous metal ores |
| 80000 | Other mining and quarrying |
| 81000 | Quarrying of stone, sand and clay |
| 81100 | Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate |
| 81200 | Operation of gravel and sand pits; mining of clays and kaolin |
| 89000 | Mining and quarrying n.e.c. |
| 89200 | Extraction of peat |
| 89100 | Mining of chemical and fertiliser minerals |
| 89300 | Extraction of salt |
| 89900 | Other mining and quarrying n.e.c. |
| 90000 | Mining support service activities |
| 91000 | Support activities for petroleum and natural gas extraction |
| 99000 | Support activities for other mining and quarrying |
| MANUFACTURING | |
| 120000 | Manufacture of tobacco products |
| 142000 | Manufacture of articles of fur |
| 190000 | Manufacture of coke and refined petroleum products |
| 191000 | Manufacture of coke oven products |
| 192000 | Manufacture of refined petroleum products |
| 205100 | Manufacture of explosives |

| | |
|---|---|
| 244600 | Processing of nuclear fuel |
| 244610 | Uranium enrichment |
| 244620 | Irradiated fuel reprocessing |
| 254000 | Manufacture of weapons and ammunition |
| 304000 | Manufacture of military fighting vehicles |
| ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY | |
| 351140 | nuclear energy |
| 351141 | pilot plants |
| 351142 | demonstration plants |
| 351143 | commercially-rated power stations |
| CONSTRUCTION | |
| 410000 | Construction of buildings |
| 411000 | Development of building projects |
| 412000 | Construction of residential and non-residential buildings |
| 412010 | urban infrastructure |
| 412011 | urban renewal |
| 412012 | public buildings |
| 412013 | exhibitions, trade fairs and conferences |
| 412014 | housing |
| 412020 | urban development schemes |
| 412021 | sundry infrastructure |
| 412022 | development of industrial estates |
| 412023 | composite infrastructure |
| 429010 | industrial estates and buildings (turnkey factories) |
| 431200 | Site preparation |
| WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES | |
| 463000 | Wholesale of food, beverages and tobacco |
| 463500 | Wholesale of tobacco products |
| 472600 | Retail sale of tobacco products in specialised stores |
| TRANSPORTATION AND STORAGE | |
| 522210 | sea port installations/river development works |
| 522220 | acquisition of vessels |
| 522240 | Acquisition of fishing boats |
| FINANCIAL AND INSURANCE ACTIVITIES | |
| 641100 | Central banking |
| 641900 | Other monetary intermediation |
| 641910 | banks |
| 641920 | mutual banks or credit cooperatives |
| 641930 | savings banks |
| 641940 | Development Banks and Financing Institutions |
| 641941 | Development Banks and Financing Institutions Multilateral |
| 641941 | Development Banks and Financing Institutions Multilateral - International |
| 641941 | Development Banks and Financing Institutions Multilateral - Regional |
| REAL ESTATE ACTIVITIES | |
| 680000 | Real estate activities |

| | |
|--|--|
| 681000 | Buying and selling of own real estate |
| PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY | |
| 840000 | Public administration and defence; compulsory social security |
| 841000 | Administration of the State and the economic and social policy of the community |
| 841100 | General public administration activities |
| 841200 | Regulation of the activities of providing health care, education, cultural services and other social services, excluding social security |
| 841300 | Regulation of and contribution to more efficient operation of businesses |
| 842100 | Foreign affairs |
| 842000 | Provision of services to the community as a whole |
| 842200 | Defence activities |
| 842300 | Justice and judicial activities |
| 842400 | Public order and safety activities |
| 842500 | Fire service activities |
| 843000 | Compulsory social security activities |
| ARTS, ENTERTAINMENT AND RECREATION | |
| 920000 | Gambling and betting activities |
| ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS | |
| 970000 | Activities of households as employers of domestic personnel |
| 980000 | Undifferentiated goods- and services-producing activities of private households for own use |
| 981000 | Undifferentiated goods-producing activities of private households for own use |
| 982000 | Undifferentiated service-producing activities of private households for own use |
| 990000 | Activities of extraterritorial organisations and bodies |
| 841100 | General public administration activities |
| 841200 | Regulation of the activities of providing health care, education, cultural services and other social services, excluding social security |
| 841300 | Regulation of and contribution to more efficient operation of businesses |
| 842100 | Foreign affairs |
| 842200 | Defence activities |
| 842300 | Justice and judicial activities |
| 842400 | Public order and safety activities |
| 842500 | Fire service activities |
| 843000 | Compulsory social security activities |

ANNEX 6

Excluded / Restricted Sectors

(Subject to change)

A. EIF Restricted Sectors

1. **Illegal Economic Activities**

- Any production, trade or other activity, which is illegal under the laws or regulations of the home jurisdiction for such production, trade or activity (“Illegal Economic Activity”).
- Human cloning for reproduction purposes is considered an Illegal Economic Activity.

2. **Tobacco and Distilled Alcoholic Beverages**

- The production of and trade in tobacco and distilled alcoholic beverages and related products.
- **Note:** finance to support borrowers operating in the distilled alcoholic beverages sector (expressed by NACE Code – Rev 2 Class Level 1101) are eligible under the Scheme but are subject to a maximum cap of 20% of the On-Lender's allocation of the total Scheme size.

3. **Production of and Trade in Weapons and Ammunition**

- The financing of the production of and trade in weapons and ammunition of any kind. This restriction does not apply to the extent such activities are part of or accessory to explicit European Union policies.

4. **Casinos**

- Casinos and equivalent enterprises.

5. **IT Sector Restrictions**

Research, development or technical applications relating to electronic data programs or solutions, which:

(i) aim specifically at:

- (a) supporting any activity included in the Restricted Sectors referred to under 1. to 4. (inclusive) above.
- (b) internet gambling and online casinos; or
- (c) pornography,

or which:

(ii) are intended to enable to illegally:

- (a) enter into electronic data networks; or
- (b) download electronic data.

6. Life Science Sector Restrictions

When providing support to the financing of the research, development or technical applications relating to:

- (i) human cloning for research or therapeutic purposes; and
- (ii) Genetically Modified Organisms ("GMOs").

B. EIB Group Excluded Sectors

1. Production or activities involving harmful or exploitative forms of forced labour¹⁴ /harmful child labour¹⁵.
2. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
3. Any business relating to pornography or prostitution.
4. Production or trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES).
5. Production or use of or trade in hazardous materials such as radioactive materials (except for medical isotopes and materials for diagnostics and treatment in healthcare provision), unbounded asbestos fibres and products containing PCBs¹⁶.
6. Cross-border trade in waste and waste products unless compliant with the Basel Convention and the underlying national and EU regulations but for the avoidance of doubt, use of waste as a fuel in district heating is not excluded.
7. Unsustainable fishing methods (i.e. drift net fishing in the marine environment using nets in excess of 2.5 km in length and blast fishing).
8. Production or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances¹⁷ and other hazardous substances subject to international phase-outs or bans.
9. Destruction of Critical Habitats¹⁸.

¹⁴ Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty

¹⁵ Harmful child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, moral or social development. In addition any labour that is performed by a person which has not yet reached the age of 15 is considered to be harmful, unless the local legislation specifies compulsory school attendance or the minimum age for working to be higher; in such cases, the higher age will be applied for defining harmful child labour

¹⁶ Polychlorinated biphenyls

¹⁷ Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer". The Montreal Protocol lists ODs and their target reduction and phase-out dates.

¹⁸ Critical habitat is a subset of both natural and modified habitat that deserves particular attention. Critical habitat includes areas with high biodiversity value that meet the criteria of the World Conservation Union ("IUCN") classification, including habitat required for the survival of critically endangered or endangered species as defined by the IUCN Red List of Threatened Species or as defined in any national legislation; areas

ANNEX 7

EIF and EIB Information Templates

The following EIF / EIB templates, to facilitate their information requirements from applicants, are listed below and are available, published separately on the SBCI website.

Existing Scheme Lenders are requested to complete the templates in Section 1 below and return them with their expression of interest. New On-Lenders are requested to complete the templates in Section 2 below and return them with their expression of interest. These should be completed by the Deadline Date.

Note: The form of risk assessment to be carried out by the EIF / EIB, and information sought therein, will be entirely at the discretion of the EIF / EIB. However, if applicants have previously undergone EIF / EIB due diligence for other schemes a summary review process may be facilitated at the discretion of the EIF / EIB.

Section 1

EIB

1. EIB Qualitative Information Questionnaire



EIB Qualitative
Information Questio

EIF

1. EIF Performance Track Record Questionnaire



EIF Performance
Track Record Questi

2. EIF Expected GSLS Scheme Portfolio Characteristics



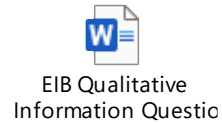
EIF Expected GSLS
Scheme Portfolio Ch

having special significance for endemic or restricted-range species; sites that are critical for the survival of migratory species; areas supporting globally significant concentrations or numbers of individuals of congregatory species; areas with unique assemblages of species or which are associated with key evolutionary processes or provide key ecosystem services; and areas having biodiversity of significant social, economic or cultural importance to local communities. Primary Forest or forests of High Conservation Value shall be considered Critical Habitats. For the purpose of this Agreement, the environment and social requirements attached hereto are understood and agreed to provide reasonable and satisfactory assurance of the avoidance of destruction of critical habitat.

Section 2

EIB

1. EIB Qualitative Information Questionnaire



EIF



Please note that for the probability of default ('PD') calculation EIF only need the Migration matrices template OR the Observed Default Frequencies template OR the Default vintages template as seen below. The potential On-Lender can choose which one to complete in accordance with the information available in their systems.

